

DIRECTORS OF INSURANCE

YEAR	NAME	YEAR	NAME
1864-1913	Insurance Supervised by Auditors Office	1957-1959	John Binning
1913-1915	Lawson G. Brian	1959-1961	William E. Grubbs
1915-1918	W. B. Eastham	1961-1967	Frank J. Barrett
1919-1922	W. B. Young	1967-1971	Benjamin C. Neff
1922-1924	W. A. Fairchild	1971-1972	Samuel Van Pelt
1924-1927	John D. Dumont	1972-1975	James M. Jackson
1927-1934	David Dort	1975-1976	E. Benjamin Nelson
1934-1935	Lee Herdman	1976-1979	M. Berri Balka
1935-1941	Charles Smrha	1979-1983	Walter D. Weaver
1941-1946	C. C. Fraizer	1983-1987	Michael J. Dugan
1946-1946	Stanley R. Matzke	1987-1994	William H. McCartney
1946-1947	Donald R. Hodder	1994-1997	Robert G. Lange
1947-1953	Bernard Stone	1998-1999	Timothy J. Hall
1953-1953	Loren H. Laughlin	1999-Present	L. Tim Wagner
1953-1957	Tom Pansing		

DEPARTMENT OF INSURANCE STAFF

Department Home Page: www.doi.ne.gov

Telephone: (402)471-2201

Fax: (402)471-4610

ADMINISTRATION

L. Tim Wagner
Bruce Ramage, CPCU, CIE
Peg Jasa
Judy Meisner

Director of Insurance
Chief of Market Regulation
Public Information Officer
Secretary

ADMINISTRATIVE SERVICES DIVISION

Gary Timm
Glen Riedel, CNE
Barbara Sorensen, CPCU, AIE
Mark Peterson, MCP
Cyndie White
Sue Williams
Nora Arizola
Julie Neal
Kathy Hoppel
Doug Roberts
Kim Harris

Accounting and Finance Manager
Infrastructure Support Analyst Senior
Infrastructure Support Analyst Senior
Infrastructure Support Analyst
Infrastructure Support Analyst
Office Services Manager
Accounting Clerk II
Accounting Clerk II
Word Processing Specialist
Office Clerk
Receptionist

CONSUMER AFFAIRS DIVISION

Jane Francis, FLMI
Karen Dyke, CIE
Barbara Ems
Rhonda Hotchkiss, HIA, ACS
Jeanette McArthur, AU
Mickey Scheidt
Cynthia Williamson, CEBS
Scott Zager, AIE, FLMI, ACS
Lana Garrison, ALHC
Beth Hollister

Administrator
Insurance Investigator
Insurance Investigator
Insurance Investigator
Insurance Investigator
Insurance Investigator
Insurance Investigator
Insurance Investigator
Staff Assistant
Staff Assistant

EXAMINATION DIVISION

David L. Krumm, CFE
James Nixon, CFE
Bruce Bornman, CFE, CIE
Terry Sindelar, CFE
Alfred Berchtold, CFE
Emilie Brady
Earnest Collins
Jennifer Cuda
Dan Eckstein, ASA, CIE
Annie Elliott, AFE
Robert Gardner, CFE, CIE
Ryan Gibson, CFE, FLMI
Jeff Green, CFE
Carol Haller
Ryan Havick, CFE
Martha Hettenbaugh
Kim Hurst, CFE
Tom James, CFE, CIE
Lynn Nannen
Carol Opp, AIE
Derek Petersen
Kimberly Richards
Isaak Russell
Linda Scholl, CFE, COE
Bill Schmid
Justin Schrader, CFE
Larry Shaw
Shari Sohl
Matthew Sporhase, CFE
Patrick Trinh
Karen Walth
Tadd Wegner, CFE
Lynn Wiese
Nicole Zimmermann

Chief Examiner
Deputy Chief Examiner
Assistant Chief Examiner
Assistant Chief Examiner
Financial Analyst
Financial Examiner
Financial Examiner
Financial Analyst
Actuarial Examiner
Financial Examiner
Financial Examiner
Financial Examiner
Financial Analyst
Administrative Secretary
Financial Examiner
Premium Tax Supervisor
Financial Examiner
Financial Examiner
Staff Assistant II
Financial Analyst
Financial Examiner
Financial Examiner
Financial Examiner
Financial Examiner
Financial Examiner
Financial Examiner
Financial Examiner
Financial Analyst
Burial Pre-Need Examiner
Financial Analyst
Financial Analyst
Financial Analyst
Financial Examiner
Financial Analyst
Financial Examiner

HUMAN RESOURCES DIVISION

Kathy Vandenberg

Personnel Officer

INSURANCE FRAUD PREVENTION DIVISION

Chuck Starr
Jim Snyder
Steve Eppens
Mark Wolfe
Connie Drake

Division Chief
Fraud Investigator
Fraud Investigator
Fraud Investigator
Administrative Assistant

LEGAL DIVISION

Ann Frohman
Janette Adair
Mike Boyd
Eric Dunning
Joel Green
Christine Neighbors
Martin Swanson
Tracy Gruhn
Sue Kuzelka

General Counsel
Agency Counsel
Agency Counsel
Agency Counsel
Agency Counsel
Agency Counsel
Agency Counsel
Staff Assistant
Staff Assistant

LIFE AND HEALTH DIVISION

Jeanne Daharsh, FSA, MAAA
John Rink
LeAnn Hammar, HIA, ALHC
David Morris, FLMI, AIRC, ACS
Deb Cooper

Actuary and Administrator
Actuarial Assistant
Life and Health Analyst
Life and Health Analyst
Staff Assistant

MARKET CONDUCT

Reva Vandevoorde, CPCU, AIE
Holly Blanchard
Cathy Hoban, AIE, ACS, FLMI, AIRC, FLHC
Ted Johnson, CPCU, AIE, ARM, AIC
John Koenig, AIE, ACS, HIA, FLMI
Carol McDermitt
Marilyn Meier

Market Conduct Supervisor
Market Conduct Examiner
Market Conduct Examiner
Market Conduct Examiner
Market Conduct Examiner
Market Conduct Examiner
Market Conduct Examiner

PRODUCERS' LICENSING DIVISION

Bev Creager
Bob Mika
Phylliss Bourne
Rae Ann Mastny
Janet Roberts
Virginia Thompson

Administrator
Training Director
Staff Assistant
Staff Assistant
Staff Assistant
Staff Assistant

PROPERTY AND CASUALTY DIVISION

Beverly Anderson, CPCU
Stephanie Hobelman
Connie Van Slyke
Chris Williamson
Gina Younger

Administrator
Property and Casualty Analyst
Property and Casualty Analyst
Property and Casualty Analyst
Staff Assistant

PROPERTY AND CASUALTY ACTUARIAL DIVISION

Alan Wickman, ACAS

Administrator

SENIORS HEALTH INSURANCE INFORMATION PROGRAM

Jina Ragland
Jim Bendorf
Nick Trede
Sue Kuzelka

SHIIP Program Coordinator
SHIIP Training Coordinator
SHIIP Training Specialist
SHIIP Staff Assistant

**STATE OF NEBRASKA
DEPARTMENT OF INSURANCE**

The Department of Insurance shall have general supervision, control and regulation of insurance companies, associations and societies, and the business of insurance in Nebraska, including companies in process of organization. The Director of Insurance shall be the chief administrative officer of the Department and shall have the power and duty to enforce and execute all the insurance laws of this state and make all needful rules and regulations for the purpose of carrying out the true spirit and meaning on this enactment and all laws relating to the business of insurance, and, to that end, may authorize and empower an assistant or employee to do any and all things that he/she may do on his/her behalf, and he/she shall see that all laws respecting insurance companies and insurance agents are faithfully executed. The Director or his/her representative shall issue all certificates and licenses as provided for in Chapter 44. The Director and his/her authorized representative shall have the power and authority to do all things and to perform all acts the Department is given the power and authority to do.

The Department of Insurance operates on a fiscal year that begins July 1 and ends June 30. Various fees that the Department collects fund the Department's operations. The table below presents fees collected during the last three fiscal years.

Fees: (Fiscal Year)	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>
Examination Fees	\$ 1,985,624	\$ 2,469,293	\$ 2,784,526
Admin. Fee Professional Medical Liability	113,789	106,644	138,196
Publications/Photocopies/Fraud Conference	52,523	50,861	51,924
Agent Certification	107,288	87,143	65,710
Legal Filing Fees	12,740	13,795	11,868
Miscellaneous Fees (Filing Fees)	12,227	6,926	3,164
Admin. Fees Premium Taxes	26,656	74,723	35,374
Pre-Admission Review Fees	21,500	26,200	40,000
P&C Filing Fees	207,830	181,490	258,070
L&H Filing Fees	113,790	127,191	118,895
Fraud Fee	332,173	328,606	320,390
Certificate of Authority	823,331	845,633	902,984
Agency License	320,023	341,832	370,033
Company Appointment/Cancellation	2,915,108	3,408,453	4,869,642
Agent's License	1,617,325	1,684,038	1,928,860
Utilization Review Agents	6,900	4,750	4,755
Continuing Education Approval/Course Comp.	75,590	72,210	77,430
Reinsurance Intermediary	2,350	3,500	3,750
Third Party Administrator	54,005	58,450	61,350
Pre-License Certification/Course Approval	17,520	16,975	19,850
TOTAL FEES	<u>\$8,818,292</u>	<u>\$9,908,713</u>	<u>\$12,066,771</u>

The Department of Insurance also collects taxes based on the premiums charged for insurance written in Nebraska. Tax revenue collected by the Department is distributed to other governmental units, including the General Fund, the Workers' Compensation Court, School Districts, Counties and Municipalities. The table below represents the premium tax revenue and administrative fines collected by the Department of Insurance and distributed to other government units for the last three calendar years.

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Premium Tax	\$ 52,570,646	\$ 56,594,900	\$ 46,338,663
Fire Insurance Tax	2,312,975	2,398,028	2,509,440
Workers' Compensation	3,023,675	3,185,546	3,502,048
Workers' Compensation Trust Fund	<u>4,373,876</u>	<u>223,815</u>	<u>-0-</u>
TOTAL TAXES	\$ 62,281,172	\$ 62,402,289	\$ 52,350,151
Interest Income from Premium Tax Prepayments	\$ 438,430	\$ 422,570	\$ 407,542
Late Payment Penalties and Administrative Fines*	92,924	277,520	336,046
Total Interest and Penalties	\$ 531,354	\$ 700,090	\$ 743,588
Total Revenue Distributed to Other Governmental Entities/Funds	\$ 62,812,526	\$ 63,102,379	\$ 53,093,739

*Includes Neb. Rev. Stat. §44-322 forfeiture amount of \$100 per day until Annual Statement submission requirements are met.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides support functions for all Divisions of the Department of Insurance. This Division plays a key role in the development and operation of all agency information systems. This Division also provides all administrative support functions of the agency including budget and accounting functions, purchasing, records management, mail management, telephone services, word processing, office utilization, and general clerical support.

CONSUMER AFFAIRS DIVISION

The Division personnel investigate consumer complaints, which includes the review and evaluation of insurance company handling and regulatory compliance. During 2005, the division opened 1,881 cases. The cases closed during 2005 reflect the following:

<u>Automobile</u>	<u>Investigations</u>
Private Passenger	512
Commercial	33
Motorcycle	3
Motorhome	2
Rental	1
Other	6
Total	<u>557</u>

<u>Accident and Health</u>	<u>Investigations</u>
Group	448
Individual	377
Credit	5
Other	<u>17</u>
Total	847

<u>Homeowners</u>	<u>Investigations</u>
Homeowners	182
Farmowner/Ranchowner	36
Mobil Homeowner	5
Renters/Tenants	14
Condo/Townhouse	1
Other	5
Total	<u>243</u>

<u>Fire, Allied Lines & Commercial Multi-Peril</u>	<u>Investigations</u>
Fire/Allied Lines	9
Commercial Multi-peril	32
Dwelling Fire	12
Other	<u>3</u>
Total	56

<u>Liability</u>	<u>Investigations</u>
General	69
Professional/Errors & Omissions	3
Products	1
Umbrella	1
Other	<u>11</u>
Total	85

<u>Life and Annuity</u>	<u>Investigations</u>
Individual Life	179
Annuities	96
Group Life	21
Credit Life	5
Group Annuities	5
Other	<u>3</u>
Total	309

<u>Miscellaneous</u>	<u>Investigations</u>
Workers' Compensation	25
Inland Marine	2
Title	31
Watercraft	2
Federal Crop	1
Surplus Lines	6
Extended Warranty/Svc. Contract	16
Fidelity and Surety	1
Federal Programs	1
Federal Flood	1
Other	<u>31</u>
Total	117

EXAMINATION DIVISION

The Examination Division conducts examinations of licensed insurance companies to determine the financial condition of the company, its ability to meet and fulfill its obligations, and whether it has complied with the provisions of the Nebraska Statutes. Examiners' salaries and expenses are paid from a cash fund, the income of which is the reimbursement from insurance companies for time spent on, and actual expense incurred during the examination.

The Division's staff of financial analysts review the financial statements of the approximate 1,554 insurance companies licensed to do business in Nebraska. The analysts may recommend that an examination be conducted or that a company's authority to do business in Nebraska be suspended or revoked.

This Division is also responsible for audit and collection of premium tax, fire insurance tax, workers' compensation taxes and various renewal fees.

In addition to the above, major responsibilities include the admission of companies to do business in Nebraska, the regulation and examination of burial pre-need sales, regulation of purchasing and risk retention groups, regulation of third party administrators, review of holding company filings, and administration of insurance company securities placed on deposit with the Department.

The present staff of the Examination Division consists of a Chief Examiner, a Deputy Chief Examiner, two Assistant Chief Examiners, sixteen financial examiners, an actuarial examiner, a burial pre-need examiner, nine financial analysts, a premium tax analyst, a staff assistant, and an administrative secretary.

FINANCIAL EXAMINATIONS COMPLETED IN 2005

Company Name	Examination Type
The American Insurance Company	Financial
Amwest Surety Insurance Company	Limited Scope
Arch Reinsurance Company	Financial
Battle Creek Mutual Insurance Company	Financial
Catholic Relief Insurance Company of America	Financial
Censtat Casualty Company	Financial
Central States Indemnity Co. of Omaha	Financial
Continental General Insurance Company	Financial
Cooperative Mutual Insurance Company	Financial
CSI Life Insurance Company	Financial
Empire Fire and Marine Insurance Company	Financial
Exclusive Healthcare Inc.	Financial
Farmers Mutual Home Insurance Company	Financial
Far West Insurance Company	Limited Scope
Fireman's Fund Insurance Company of Nebraska	Financial
First Landmark Life Insurance Company	Financial
Health-Dent, Inc.	Financial
Lenders Protection Assurance Company Risk Retention Group	Financial
Lincoln Benefit Life Company	Financial
Medico Life Insurance Company	Financial
Mutual of Omaha Insurance Company	Financial
Mutual Protective Insurance Company	Financial
Norfolk Mutual Insurance Company	Financial
Omaha Property and Casualty Insurance Company	Financial
Surety Life Insurance Company	Financial
Union Insurance Company	Financial
United of Omaha Life Insurance Company	Financial
United World Life Insurance Company	Financial

HUMAN RESOURCES DIVISION

The employees of the Department of Insurance are our most important resource, therefore, nondiscriminatory recruitment; selection of new employees entering the department workforce; maintenance and retention of existing employees; and the training and promotion of department employees is an ongoing concern.

The Human Resources Division is responsible for management of human resources with regard to personnel and payroll transaction; orientation of new employees; compensation and wage administration; benefits; coordination of performance evaluation plan forms; interpretation of the State Personnel Rules and Regulations and the State Labor Contract and Wellness in the Workplace.

The Division is also responsible for development and enforcement of the Affirmative Action Plan; Americans with Disabilities Act; Policies and Procedures Manuals; Tuition Assistance Educational Program; staff development and training.

INSURANCE FRAUD PREVENTION DIVISION

The duties and responsibilities of the Fraud Division are to conduct investigations independent of or in conjunction with other law enforcement agencies when the Division has cause to believe that an act of insurance fraud has been, or is currently being committed. The Division also undertakes independent studies to determine the extent of fraudulent insurance activity in the State of Nebraska. The Fraud Division works in cooperation with law enforcement, prosecuting attorneys, and the insurance industry in the investigation and prosecution of insurance fraud violations. The Fraud Division is staffed with a Division Chief, three Insurance Fraud Investigators and an Administrative Assistant.

LEGAL DIVISION

The Legal Division prepares Department regulations, bulletins and legal interpretations, represents the Department in administrative hearings, and processes applications by domestic insurers for certificates of authority, mergers, acquisitions and domestications. This Division also renders legal advice on policy form approvals, financial transactions, investments and agreements entered into by insurers as well as coordinating legislative matters. Enforcement of compliance with the Nebraska Insurance Statutes and Department of Insurance regulations by all insurers, insurance agents, brokers, and all others licensed by the Department of Insurance as well as unauthorized entities is performed by the Legal Division. The counsel for the Department acts as a liaison with the Attorney General's Office regarding all pending litigation and/or appeals from administrative rulings. The Legal Division also acts as counsel for the Director in connection with the supervision, rehabilitation or liquidation of insurance companies and advises the Director in connection with the operation of the Nebraska Property and Liability Insurance Guaranty Association, the Nebraska Life and Health Insurance Guaranty Association, the Medical Malpractice Excess Liability Fund and the Comprehensive Health Insurance Pool.

LIFE AND HEALTH DIVISION

During 2005, the Life and Health Division approved 10,259 life and health forms of various kinds, including policies, riders, endorsements, applications and advertising. A total of 1,800 health insurance rate filings were also reviewed.

Other activities of the Life and Health Division include the issuing of valuation certificates for all domestic life companies and collaboration with other Divisions on a variety of life and health insurance issues. In addition, the Life and Health Division reviewed annual filing requirements including long-term care and Medicare supplement reports, prompt payment certifications and small group certifications.

MARKET CONDUCT DIVISION

The Market Conduct Division conducts examinations of licensed insurance companies and health maintenance organizations to verify compliance with Nebraska Insurance Statutes and Regulations and to review treatment of policyholders and claimants. Typical areas of review include advertising and marketing, producer licensing, underwriting and rating, complaint and grievance procedures, claim handling and nonforfeiture handling.

The present staff of the Market Conduct Division consists of a Supervisor, a Market Analyst and five Market Conduct Examiners.

MARKET CONDUCT EXAMINATIONS COMPLETED IN 2005

Company Name
American Family Life Assurance Company
United Healthcare Insurance Company
United Healthcare of Midlands, Inc.
Woodmen of the World Life Insurance Society

PRODUCERS' LICENSING DIVISION

Any individual, whether or not compensated, who solicits, negotiates, sells to risks located in Nebraska, unless exempted by law, must be licensed as a producer in the appropriate lines of insurance.

No insurance company admitted to do business in this state shall accept applications for, write, place or cause to be written or placed any policy of insurance the solicitation of which involves an insurance producer, or insurance agency and which covers risks located or residing in this state except through a licensed producer who has been appointed by such company or through an individual licensed as a producer acting as a broker in the state.

Any partnership, unincorporated association, corporation or Limited Liability Company, Limited Liability Partnership, or other legal entity transacting business with the public or insurance companies as an insurance producer must be licensed as an insurance agency. The following reflects active licenses for the year ending December 31, 2005:

Resident Producers	17,151	Nonresident Consultants	41
Nonresident Producers	33,798	Agent's Appointments	260,750
Resident Consultants	188	Insurance Agencies	6,749

PROPERTY AND CASUALTY DIVISION

The Property and Casualty Division analyzes, and approves, disapproves or files rate, loss cost, policy and endorsement filings made by insurance companies and other entities such as advisory organizations. The Division provides relevant technical support in property and casualty matters to other areas within the Department. The Property and Casualty Division handles most of the day-to-day administrative activities of the Excess Liability and Residual Funds. These funds provide excess and "Assigned risk" medical professional liability insurance for doctors, hospitals and other specific Nebraska health care providers.

Dependent on the line of insurance and the nature of the entity making a filing, filings are processed on a "File and use" basis or on a "Prior approval" basis. The majority of filings are subject to "File and use" procedures. Filings made on a "File and use" or "Prior approval" basis are governed by the Property and Casualty Insurance Rate and Form Act (Neb. Rev. Stat. §§44-7501 to 44-7535).

Motor vehicle service contract filings submitted to the Division are governed by the Motor Vehicle Service Contract Reimbursement Insurance Act (Neb. Rev. Stat. §§44-3520 to 44-3526).

During 2005, the Property and Casualty Division received 3,521 new filings, which included 110 filings made by advisory organizations. Final action was taken on 3,836 filings, of which 3,741 represented approvals or were processed on a "File and use" basis. Final action was taken on 60 motor vehicle service contract filings. Of these approved or accepted filings, many required revisions in response to correspondence from the Division. Filings that were disapproved or withdrawn totaled 35.

PROPERTY AND CASUALTY ACTUARIAL DIVISION

The Actuarial Division provides support for the Examination Division, the Property and Casualty Division, the Excess Liability Fund and the Office of the Director. Duties include review of rates and policy issues for the Property and Casualty Division, review of casualty reserves and actuarial opinions for the Examination Division, review of reserves and assessment levels for the Excess Liability Fund and handling of casualty actuarial and other professional studies for the Department.

SENIORS HEALTH INSURANCE INFORMATION PROGRAM (SHIIP)

The Nebraska Senior Health Insurance Information Program (SHIIP) informs, educates, and assists seniors and those with disabilities to make informed decisions on topics related to health insurance. SHIIP provides assistance to Medicare beneficiaries and caregivers with questions or concerns about Medicare, Medicare supplement insurance, Medicare Part D, Medicaid and other types of health insurance.

SHIIP currently has more than 200 trained volunteers across the state, providing free and unbiased counseling to the more than 260,000 Nebraska Medicare beneficiaries.